

# Tax compliance

## Africans affirm civic duty but lack trust in tax department

By Thomas Isbell

Afrobarometer Policy Paper No. 43 | December 2017



## Introduction

In any economy, balancing expenditures, revenues, and debts is a delicate and often politicized task. Competing interests and priorities buffet those tasked with planning a viable and stable national budget. For any state, taxes raised from individuals and businesses are a central plinth supporting the provision of services, the maintenance of infrastructure, the employment of civil servants, and the smooth functioning of the state.

In many African countries, however, tax evasion leaves states with major holes in their budgetary pockets. A 2015 report by the High Level Panel on Illicit Financial Flows from Africa cites tax abuse as an important contributor (along with laundering of criminal proceeds, corruption, and market abuse) to an estimated \$30 billion to \$60 billion per year that African governments lose to illicit financial flows, hampering growth through state investment, improvements in education and health services, and lower debt commitments abroad (United Nations Economic Commission for Africa, 2015a, 2015b; Guardian, 2015). The 2016 leaks of the “Panama Papers” exposing tax evasion and fraud among many African and world leaders and their families further underlined the magnitude of the burden that tax evasion places on the continent (Kuo, 2016; Copley, 2016).

Moreover, low tax compliance weakens the state’s ability to invest and develop. In 2005, only 15% of gross domestic product (GDP) in developing countries derived from taxes, compared to 35% in developed countries (Fuest & Riedel, 2009). In some of the poorest countries, this proportion was 12%. Cobham (2005) estimates that low tax compliance in developing countries costs around \$285 billion per year.

For many Africans, however, not paying taxes may be less a matter of choice than of insufficient efficacy. As Aiko and Logan (2014) report, majorities of Africans say it is difficult to find out what taxes they’re supposed to pay and how their government uses tax revenues, and many see tax officials as corrupt. Ali, Fjeldstad, & Sjursen (2013) have found that not understanding how taxes are used is negatively correlated with tax compliance. They also point out that many Africans pay private or non-state providers for services that would commonly be provided by the state, which might also tend to depress tax compliance.

This paper examines the views and experiences of ordinary Africans related to tax compliance. Afrobarometer survey data indicate that a strong majority of Africans see paying taxes as a civic duty that is important to a country’s development and should be fulfilled regardless of whether one is dissatisfied with government services. But low levels of public trust and high levels of perceived corruption in the tax department dampen citizens’ support for tax compliance.

## Afrobarometer survey

Afrobarometer is a pan-African, non-partisan research network that conducts public attitude surveys on democracy, governance, economic conditions, and related issues across more than 30 countries in Africa. Six rounds of surveys were completed between 1999 and 2015, and Round 7 is currently underway. Afrobarometer conducts face-to-face interviews in the language of the respondent’s choice with nationally representative samples, which yield country-level results with a margin of sampling error of +/-2% (for a sample of 2,400) or +/-3% (for a sample of 1,200) at a 95% confidence level.

This paper draws mainly on Round 6 (2014/2015) interviews with almost 54,000 citizens in 36 countries, representing the views of more than three-fourths of the continent’s population.

## Key findings

- On average across 36 countries, 63% of Africans say taxes are necessary for development. Large majorities say paying taxes is a civic duty (72%) and not paying taxes is wrong (87%) – though many describe non-compliance as “wrong but understandable.”



- Two-thirds (66%) of Africans say it's "difficult" or "very difficult" to avoid paying taxes.
- But a majority (54%) also have trouble finding out what exactly they owe the government – an improvement from 62% in 2011/2013.
- Almost two-thirds (63%) endorse the tax department's legitimacy in making people pay. But fewer than half (44%) trust the tax department, and more than one in three (36%) say most or all tax officials are corrupt.
- Countries differ greatly in their perceptions related to taxes. For example, Sierra Leoneans are three times as likely as Algerians to see taxes as necessary for development (90% vs. 31%), and Nigeriens are almost three times as likely to trust their tax department as Liberians (73% vs. 26%).
- Perceived corruption and lack of trust in the tax department are associated with a weaker perception of tax compliance as a civic duty and the right thing to do. In contrast, a perception that citizens enjoy free and fair elections that offer them a genuine choice may contribute to a stronger embrace of the role of taxpayer.

### Overview: Tax compliance and efficacy

Most Africans believe that taxes are necessary and that not paying taxes is wrong (see Figure 1 below). About two-thirds (63%) of respondents "agree" or "agree strongly" that the state needs taxes in order to develop, a proportion that has declined marginally since the previous Afrobarometer survey round in 2011/2013 (66%).

Across 36 countries, almost nine out of 10 Africans say that not paying taxes is wrong, although only a slim majority (54%) describe non-compliance as "wrong and punishable," while 34% see it as "wrong but understandable." Compared to the 2011/2013 survey round, the proportion of respondents who see non-payment of taxes as "not wrong at all" has decreased slightly (from 11% to 8%), while more respondents see it as both wrong and punishable (from 49% to 54%).

Two-thirds (66%) of respondents find it "difficult" or "very difficult" to avoid paying taxes they owe. But a majority (54%) also find it "difficult" or "very difficult" to find out what taxes or fees they are required to pay – though that's an improvement from 62% in 2011/2013.

### Are taxes needed?

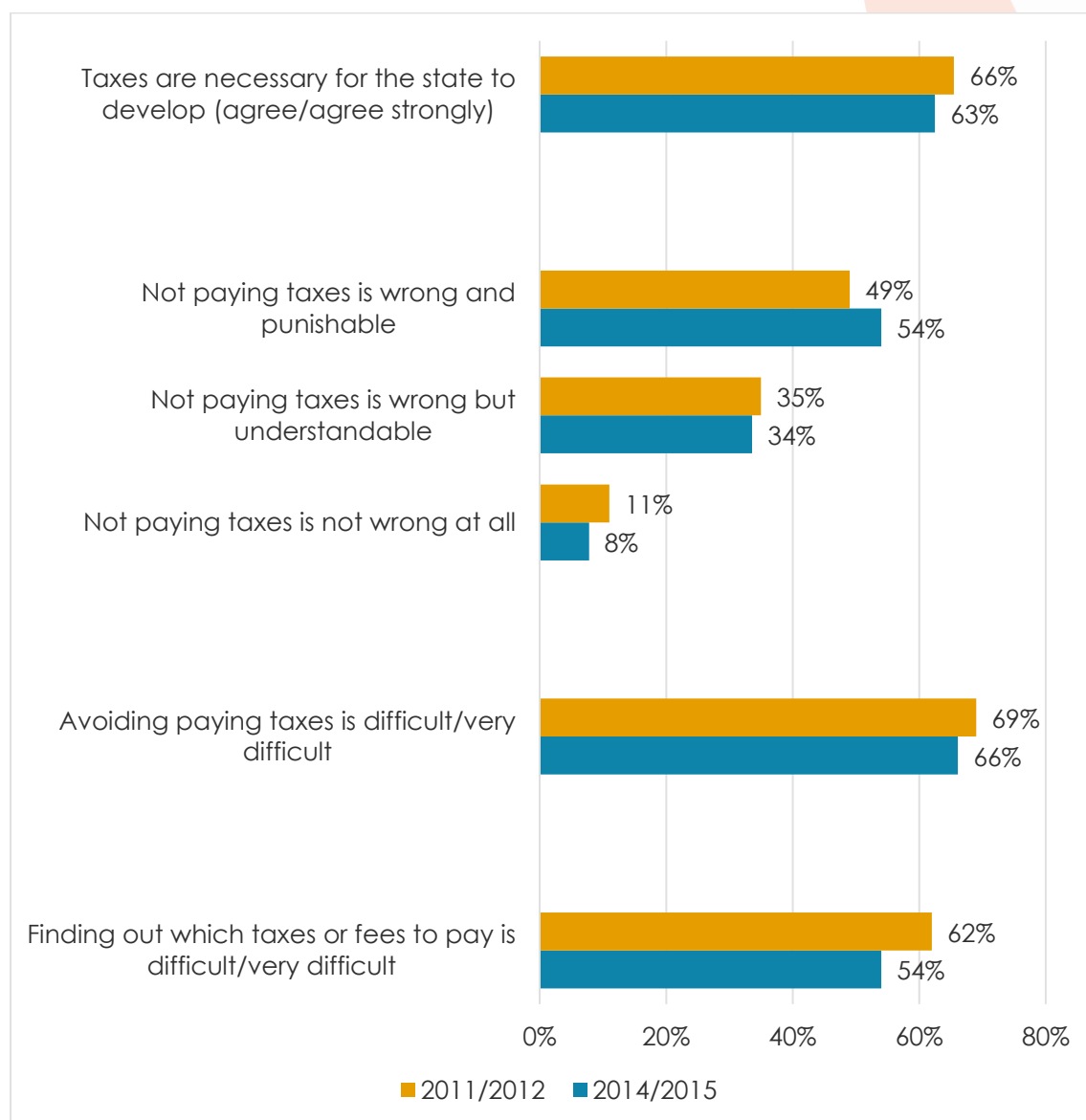
While a majority of Africans agree that taxes are necessary if a country is to develop, a sizeable one-third (34%) say instead that "the government can find enough resources for development from other sources without having to tax the people."

Respondents in Sierra Leone (90%), Côte d' Ivoire (83%), and Liberia (82%) are most likely to consider taxes as necessary for development. Only minorities in Algeria (31%), Lesotho (39%), Guinea (40%), Sudan (45%), Morocco (46%) agree. All five North African countries are among the bottom eight when it comes to endorsing taxes as necessary for development (Figure 2).

On average, respondents with at least a secondary education are somewhat more likely to see taxes as necessary for development than those with less education, as are economically better-off respondents compared to their poorer counterparts (not shown).

Across regions, respondents in Central Africa (74%) and West Africa (73%) most commonly see taxes as necessary if their country is to develop. In contrast, fewer than half of North Africa (47%) hold this attitude (Figure 3).

**Figure 1: Attitudes toward tax compliance and ease of being tax-compliant**  
 | 36 countries<sup>1</sup> | 2011-2015

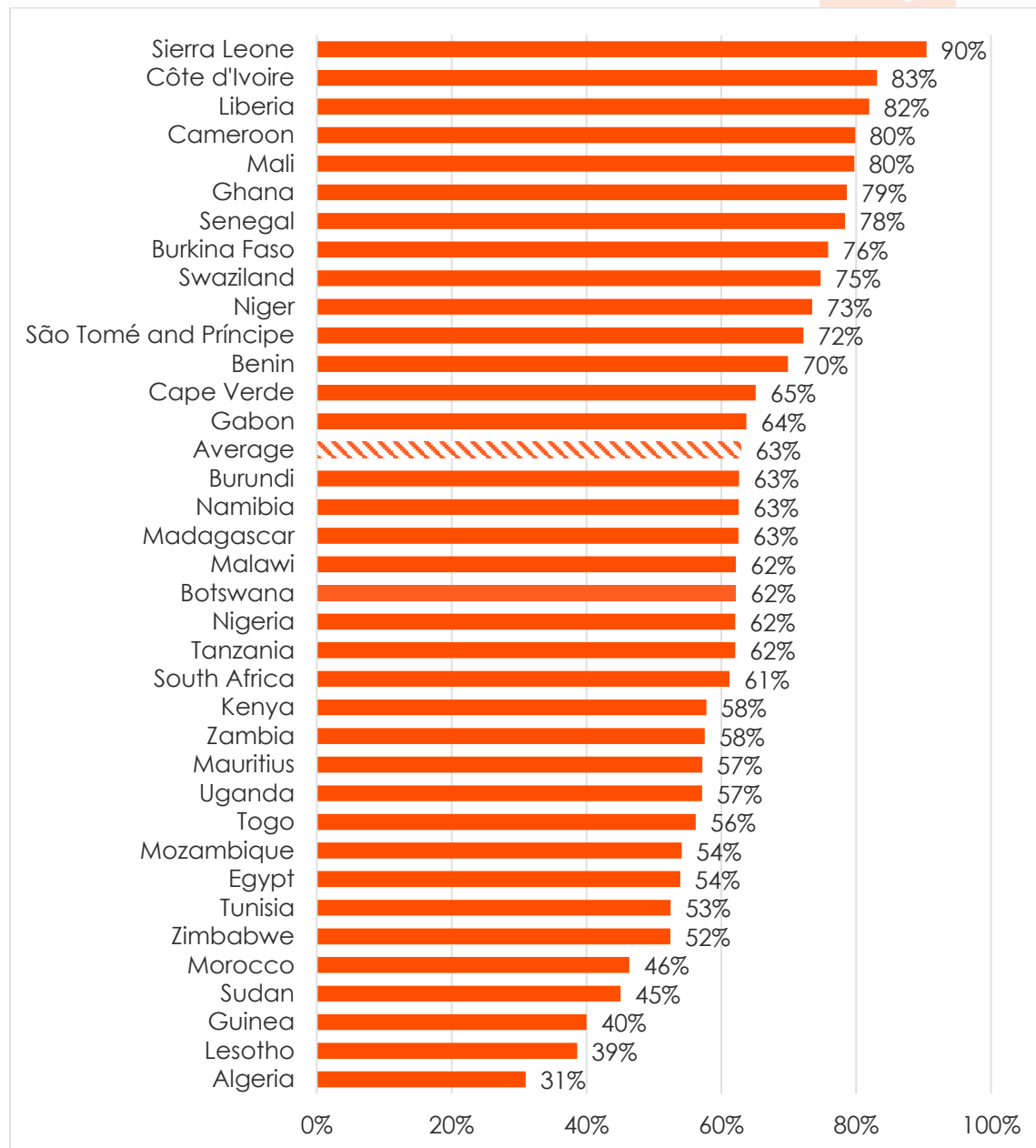


**Respondents were asked:**

- Which of the following statements is closest to your view?
  - Statement 1: Citizens must pay their taxes to the government in order for our country to develop.
  - Statement 2: The government can find enough resources for development from other sources without having to tax the people.
- I am now going to ask you about a range of different actions that some people take. For each of the following, please tell me whether you think the action is not wrong at all, wrong but understandable, or wrong and punishable: Not paying the taxes they owe on their income?
- Based on your experience, how easy or difficult is it to do each of the following:
  - To avoid paying the income or property taxes that you owe to government?
  - To find out what taxes and fees you are supposed to pay to the government?

<sup>1</sup> Afrobarometer surveyed 36 countries in Round 6 (2014/2015). In Round 5 (2011/2013), 34 countries were surveyed, but many of the questions on taxation were not asked in five North African countries (Algeria, Egypt, Morocco, Sudan, and Tunisia).

**Figure 2: Citizens must pay taxes if country is to develop | 36 countries | 2014/2015**

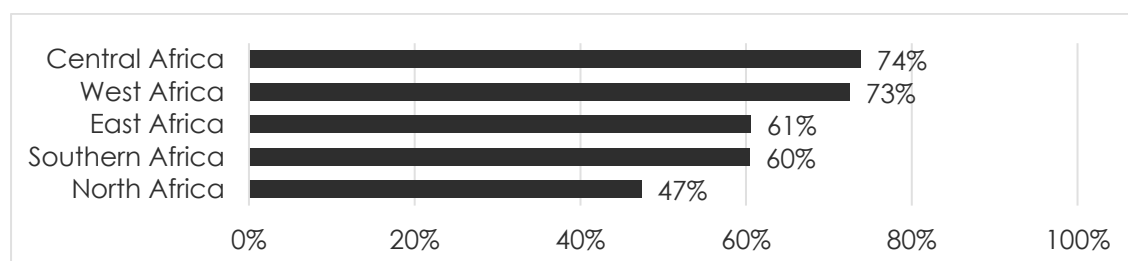


**Respondents were asked:** Which of the following statements is closest to your view?

- Statement 1: Citizens must pay their taxes to the government in order for our country to develop.
- Statement 2: The government can find enough resources for development from other sources without having to tax the people.

(% who "agree" or "agree strongly" with Statement 1)

**Figure 3: Citizens must pay taxes if country is to develop | by region | 2014/2015**



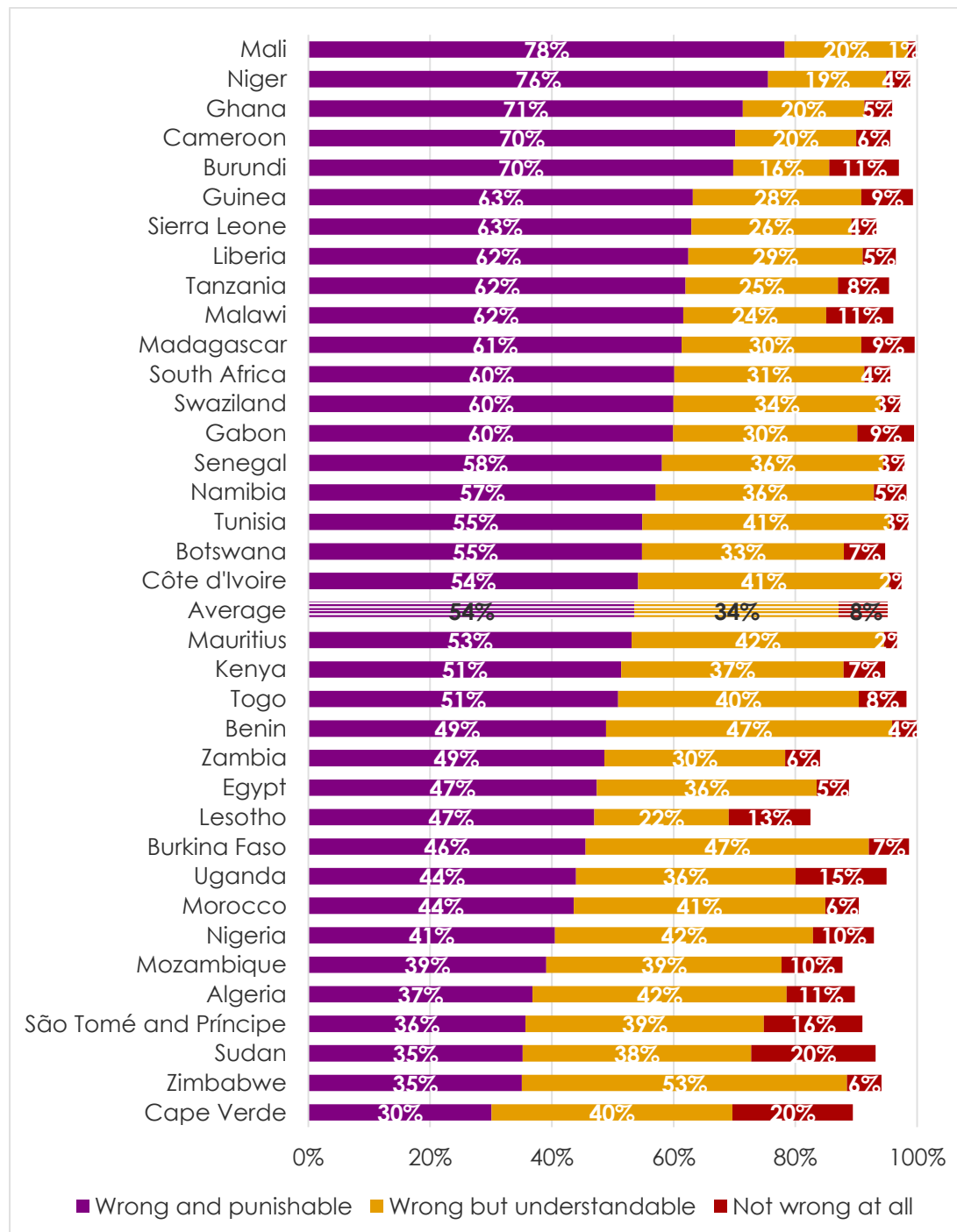
(% who "agree" or "agree strongly" that citizens must pay taxes in order for the country to develop)

## How wrong is tax non-compliance?

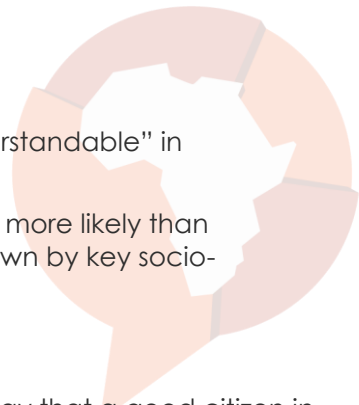
While Africans overwhelmingly see non-payment of taxes as wrong, countries differ significantly in whether their citizens see tax avoidance as “wrong and punishable” (54% on average across 36 countries) or “wrong but understandable” (34%).

“Wrong and punishable” is the widespread verdict in Mali (78%), Niger (76%), Ghana (71%), Cameroon (70%), and Burundi (70%), but much less common in Cape Verde (30%), Zimbabwe (35%), and Sudan (35%) (Figure 4).

**Figure 4: Is not paying taxes wrong? | 36 countries | 2014/2015**



**Respondents were asked:** I am now going to ask you about a range of different actions that some people take. For each of the following, please tell me whether you think the action is not wrong at all, wrong but understandable, or wrong and punishable: Not paying the taxes they owe on their income?



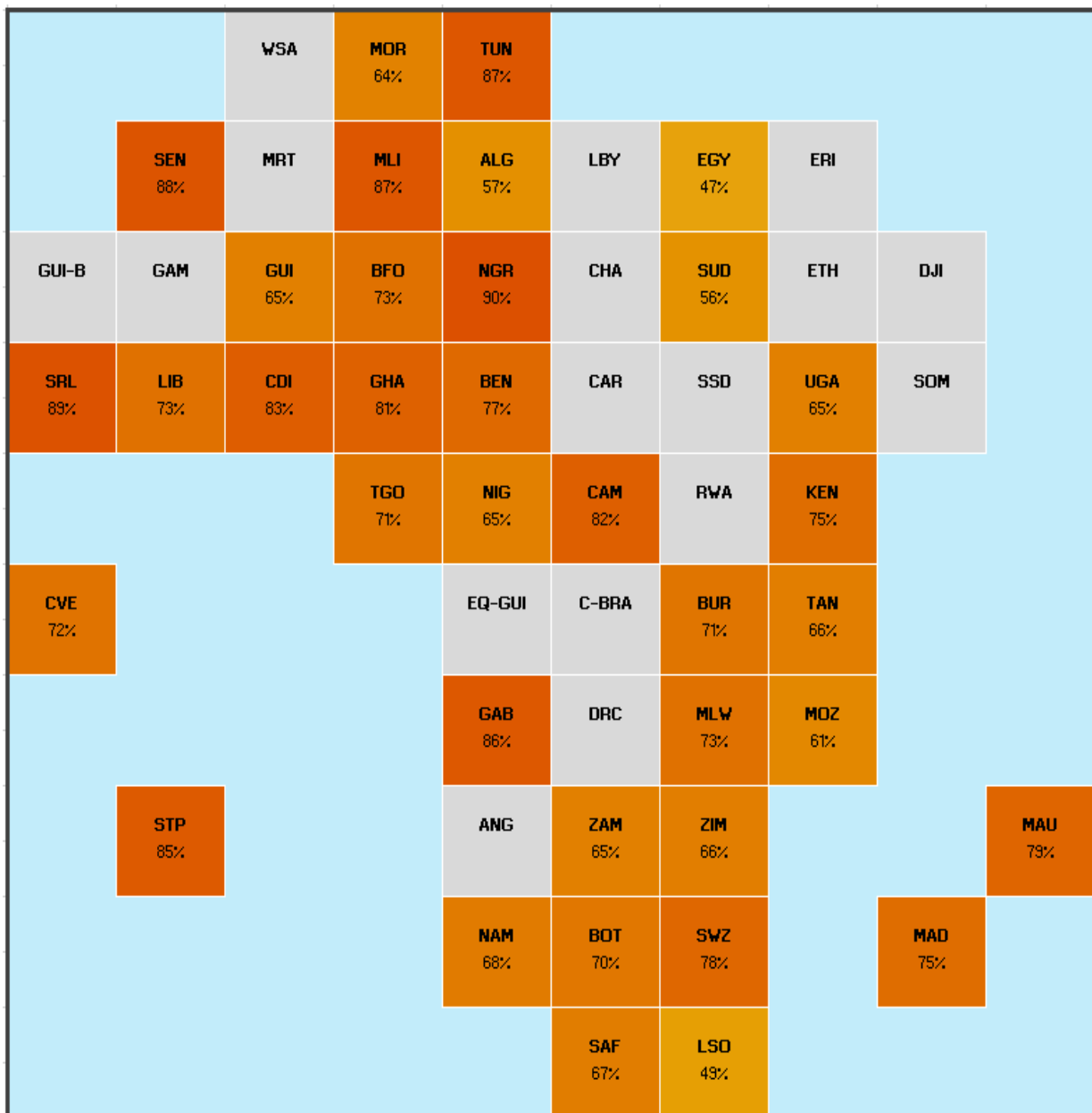
Nearly half of respondents see non-compliance as “wrong but understandable” in Zimbabwe (53%), Benin (47%), and Burkina Faso (47%).

Respondents with a post-secondary education (58%) are somewhat more likely than average to see non-payment of taxes as punishable, but a breakdown by key socio-demographic groups shows few important differences (not shown).

### Paying taxes as a civic duty

On average across 36 countries, a strong majority (72%) of Africans say that a good citizen in a democracy should “always” pay taxes. This perception varies considerably by country, ranging from about nine in 10 respondents in Niger (90%), Sierra Leone (89%), and Senegal (88%) to fewer than half in Egypt (47%) and Lesotho (49%).

**Figure 5: A good citizen always pays taxes | 36 countries | 2014/2015**

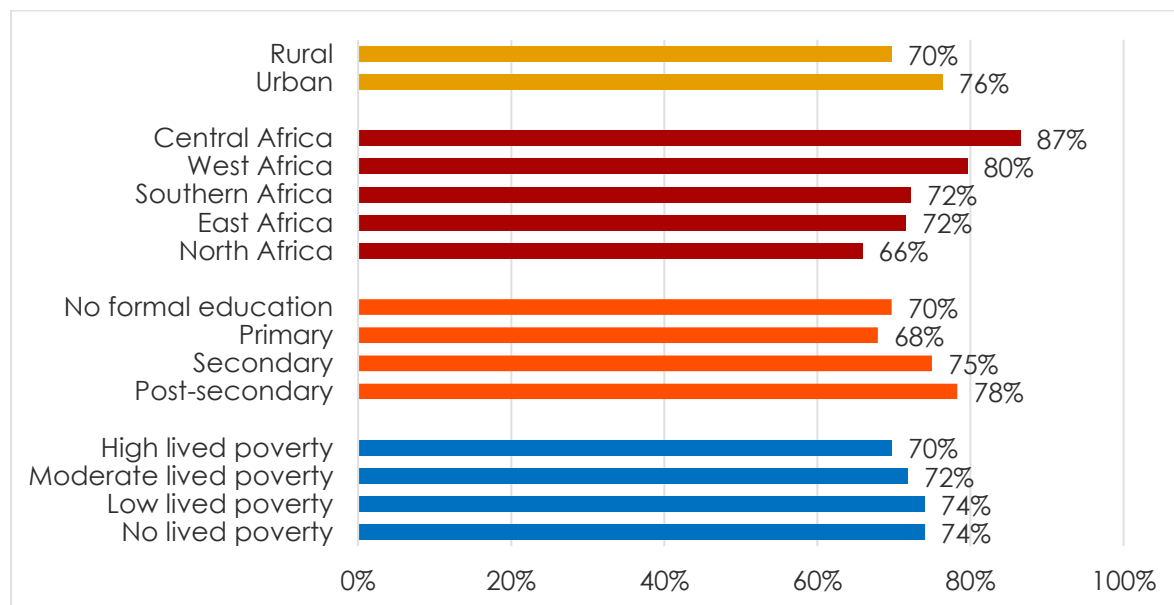


**Respondents were asked:** For each of the following actions, please tell me whether you think it is something a citizen in a democracy should always do, never do, or do only if they choose: Pay taxes they owe to government? (% who say “always do”)

For 17% of respondents, a good citizen should pay taxes only if he or she chooses to. This view is fairly common in four out of five North African countries – Egypt (36%), Algeria (30%), Sudan (29%), and Morocco (26%) (but only 10% in Tunisia).

This perception of a good citizen's duty to pay taxes is strong across key socio-demographic groups, with somewhat higher support among urban (76%) than rural residents (70%) and among respondents with at least a secondary education compared to their less-educated counterparts. No or only slight differences exist between the genders and between the economically better-off<sup>2</sup> compared to poorer respondents (Figure 6). Respondents in Central (87%) and West Africa (80%) most commonly see tax compliance as a civic duty, while only two in three (66%) report this attitude in North Africa.

**Figure 6: A good citizen always pays taxes** | by socio-demographic group  
| 36 countries | 2014/15



**Respondents were asked:** For each of the following actions, please tell me whether you think it is something a citizen in a democracy should always do, never do, or do only if they choose: Pay taxes they owe to government? (% who say “always do”)

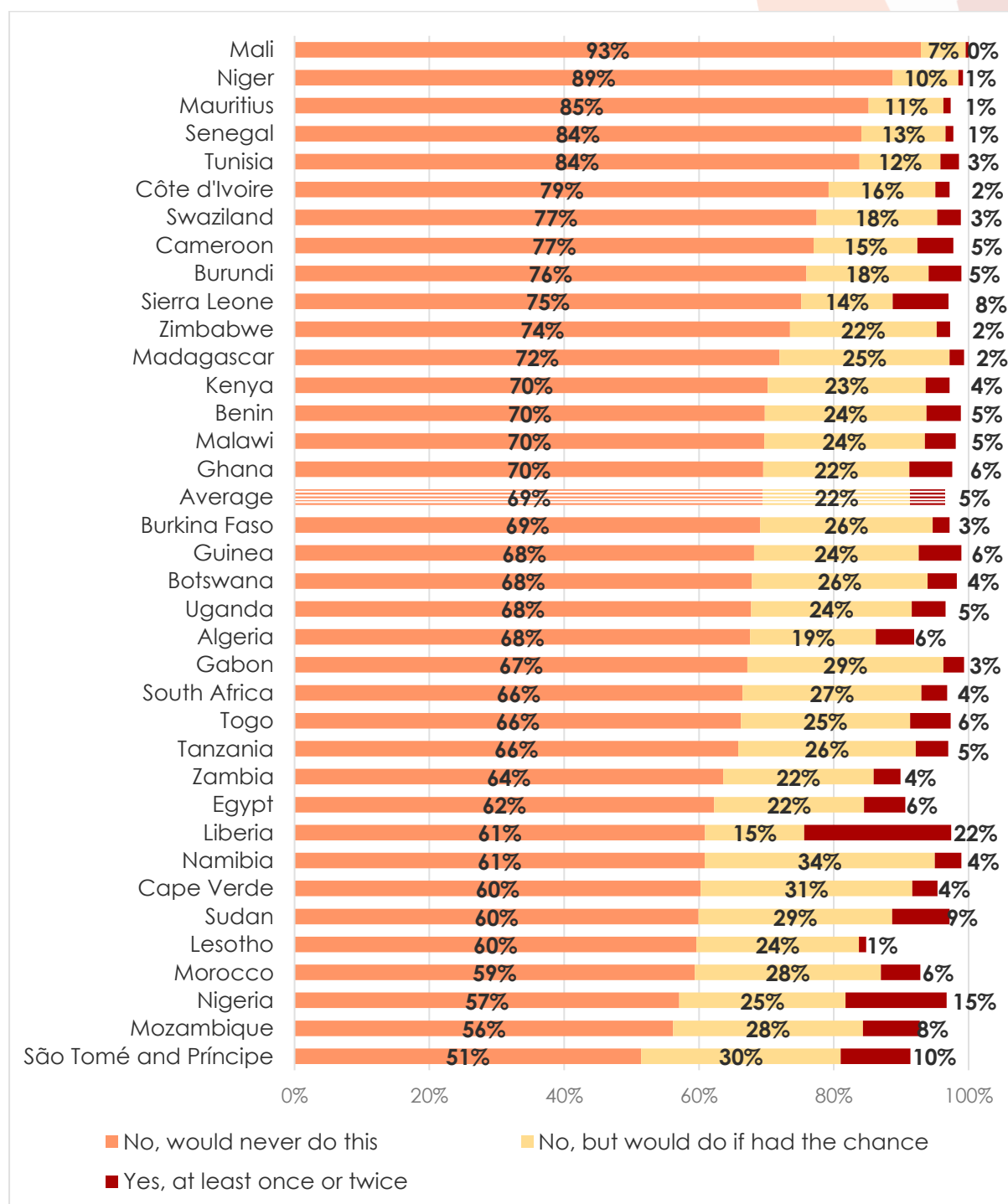
In line with widespread support for the idea that good citizens pay their taxes, almost seven in 10 Africans (69%) say they would never refuse to pay their taxes as a way to express dissatisfaction with their government's performance. On average, one in 20 respondents (5%) say they have at least once expressed their discontent by refusing to pay taxes, while 22% say that while they've never done so, they would if they “had the chance” (Figure 7).

Respondents in Mali (93%) and Niger (89%) most commonly report that they would never use tax non-compliance to protest poor government performance, while only around half of respondents in São Tomé and Príncipe (51%) say they would never do so. But substantial numbers of Liberians (22%) and Nigerians (15%) say they have at least once withheld tax payments as a result of their dissatisfaction with their government's performance, while fewer than 1% of Malians and Nigeriens have done so. Respondents in Namibia (34%), Cape Verde (31%), and in São Tomé and Príncipe (30%) are most likely to say they would refuse to pay taxes if given the chance.

<sup>2</sup> Afrobarometer's Lived Poverty Index (LPI) measures respondents' levels of material deprivation by asking how often they or their families went without basic necessities (enough food, enough water, medical care, enough cooking fuel, and a cash income) during the preceding year. For more on lived poverty, see Mattes, Dulani, & Gyimah-Boadi (2016).



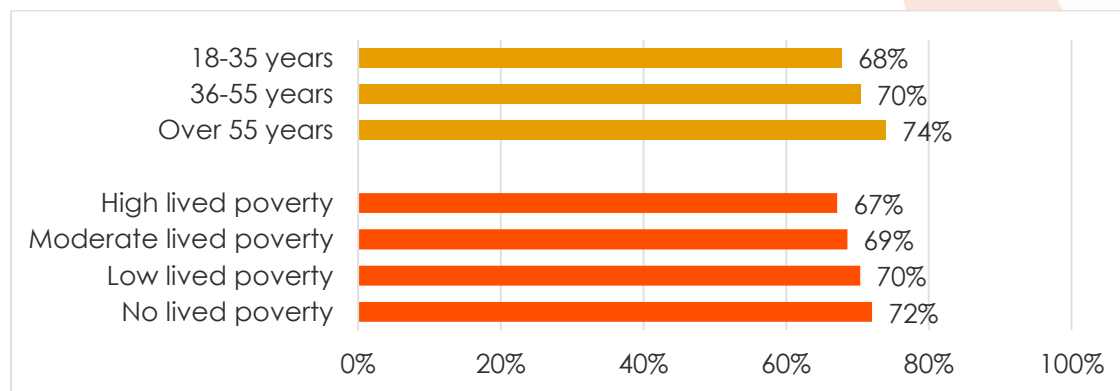
**Figure 7: Refusal to pay taxes if dissatisfied with government performance**  
 | 36 countries | 2014/2015



**Respondents were asked:** Here is a list of actions that people sometimes take as citizens when they are dissatisfied with government performance. For each of these, please tell me whether you, personally, have done any of these things during the past year. If not, would you do this if you had the chance: Refused to pay a tax or fee to government?

Only fairly small differences separate key socio-demographic groups in their views on refusal to pay taxes. Younger respondents are less likely to rule out non-payment (68% of those aged 18-35), as are poor respondents (67% of those with "high lived poverty") (Figure 8).

**Figure 8: Would never refuse to pay taxes to express dissatisfaction with government performance** | by socio-demographic group | 36 countries | 2014/2015



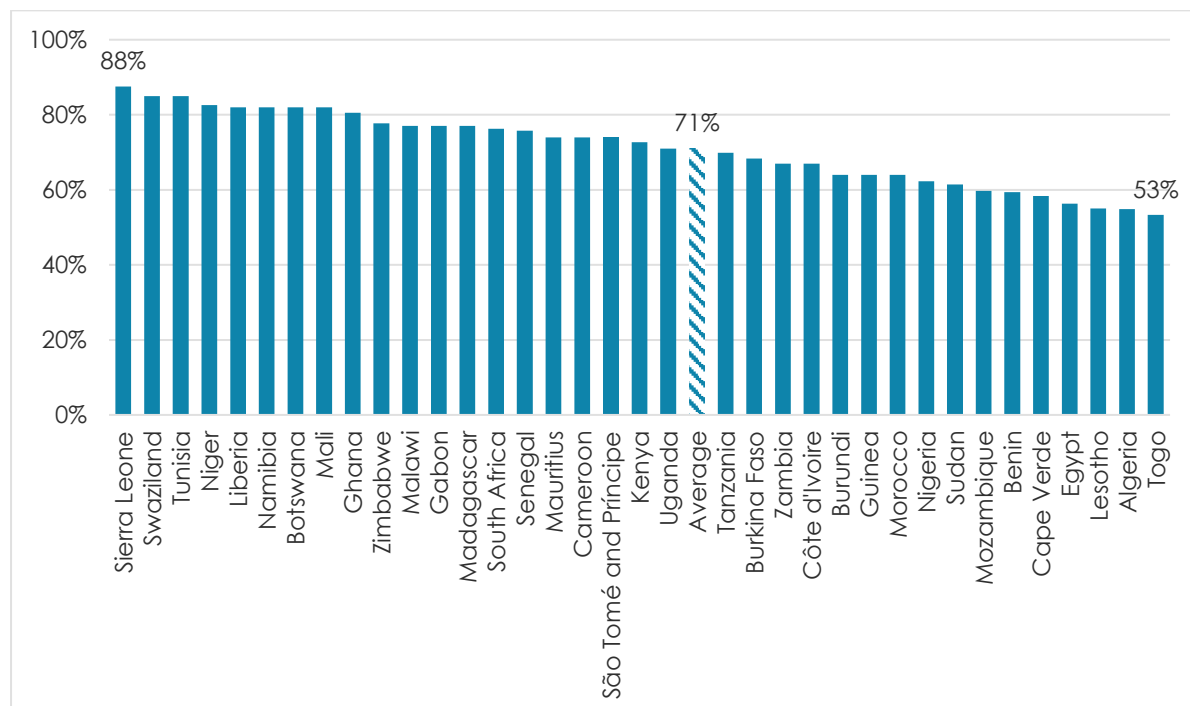
**Respondents were asked:** Here is a list of actions that people sometimes take as citizens when they are dissatisfied with government performance. For each of these, please tell me whether you, personally, have done any of these things during the past year. If not, would you do this if you had the chance: Refused to pay a tax or fee to government? (% who say “never”)

### Legitimacy and trustworthiness of the tax department

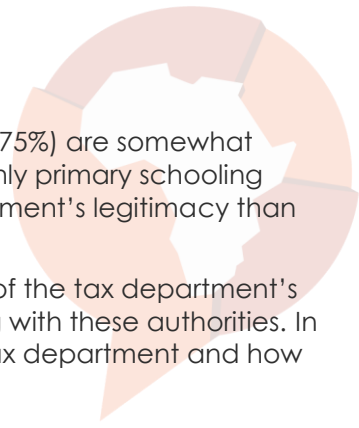
As shown above, most Africans believe not paying taxes is wrong and that taxes are important for a country’s development. But is theoretical support for tax compliance matched by positive perceptions of authorities who are tasked to collect taxes?

Seven in 10 Africans (71%) say the tax department “always has the right to make people pay taxes.” This endorsement of the legitimacy of tax authorities is strongest in Sierra Leone (88%), Tunisia (85%), and Swaziland (85%), and lowest in Lesotho (55%), Algeria (55%) and Togo (53%) (Figure 9).

**Figure 9: Tax authorities have right to make people pay taxes** | 36 countries | 2014/2015



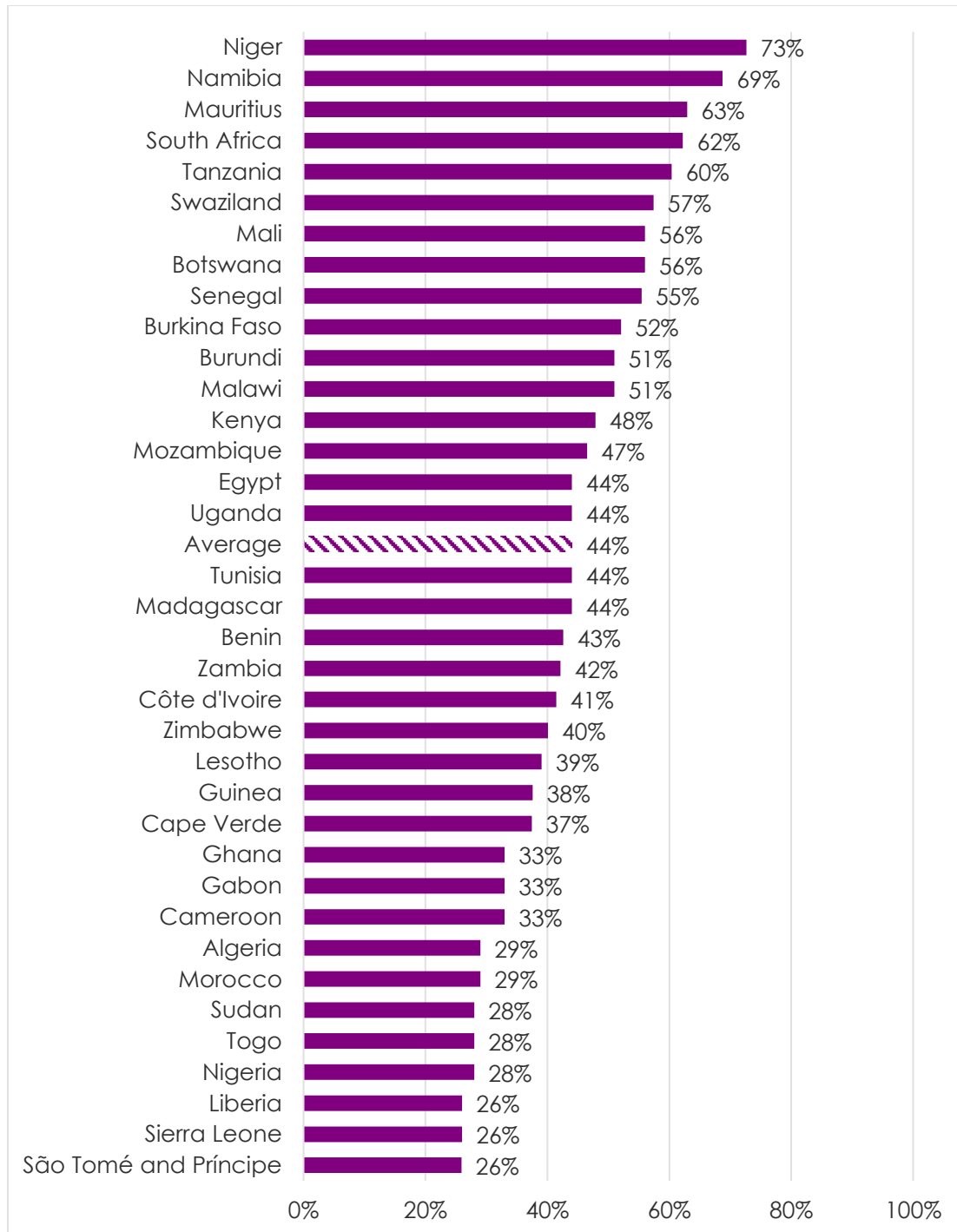
**Respondents were asked:** For each of the following statements, please tell me whether you disagree or agree: The tax authorities always have the right to make people pay taxes? (% who “agree” or “agree strongly”)



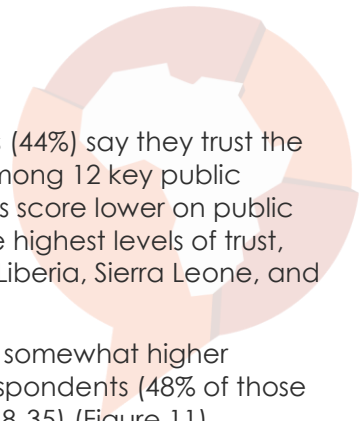
Respondents with a secondary (74%) or post-secondary education (75%) are somewhat more likely to agree than those with no formal education (67%) or only primary schooling (69%). Better-off citizens (74%) are more supportive of the tax department's legitimacy than respondents living in moderate (70%) or high lived poverty (66%).

One possible explanation for different perceptions across countries of the tax department's legitimacy could be people's experiences or perceptions of dealing with these authorities. In its surveys, Afrobarometer asked Africans how much they trust the tax department and how much corruption they perceive in the department.

**Figure 10: Trust in tax department | 36 countries | 2014/2015**



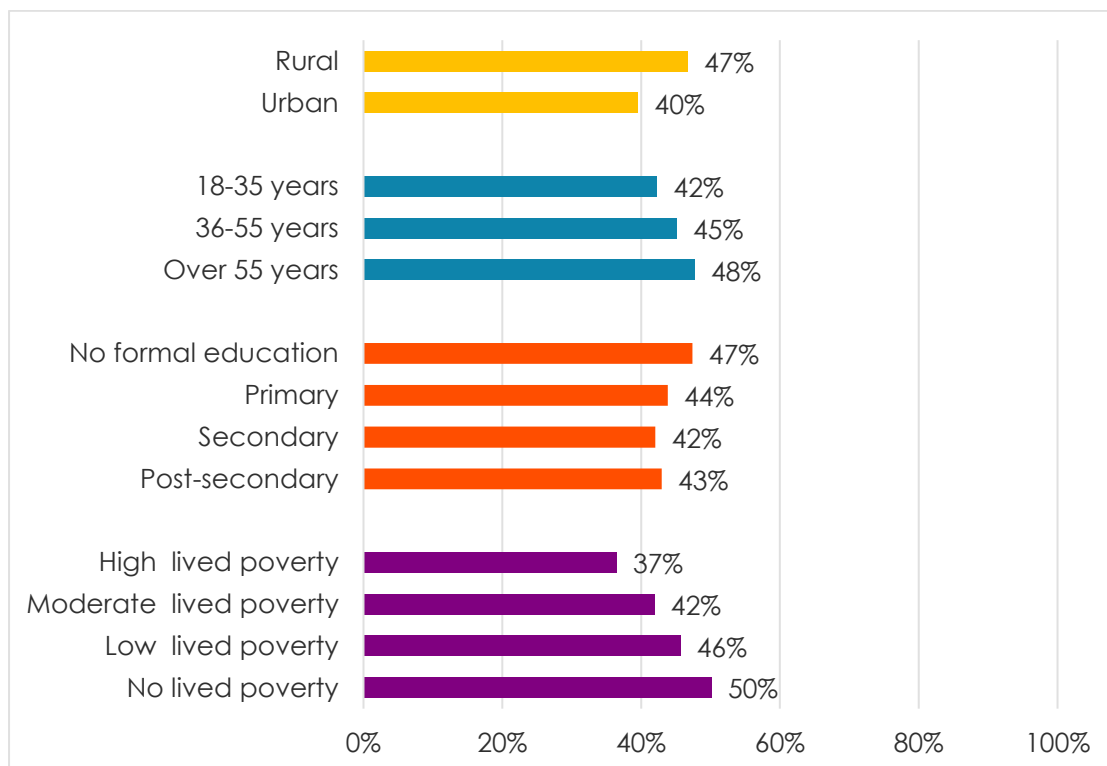
**Respondents were asked:** How much do you trust each of the following, or haven't you heard enough about them to say: The tax department? (% who say "somewhat" or "a lot")



As shown in Figure 10 above, on average fewer than half of Africans (44%) say they trust the tax department “somewhat” or “a lot” – the next-to-lowest rating among 12 key public institutions asked about in the survey. Only opposition political parties score lower on public trust (36%). Respondents in Niger (73%) and Namibia (69%) report the highest levels of trust, while only one in four respondents (26%) trust the tax department in Liberia, Sierra Leone, and São Tomé and Príncipe.

Across 36 countries, levels of popular trust in the tax department are somewhat higher among rural than urban residents (47% vs. 40%) and among older respondents (48% of those aged 56 and older) than younger respondents (42% of those aged 18-35) (Figure 11). Respondents with no formal education are somewhat more trusting (47%) than better-educated citizens, as are wealthier respondents (50% of those with “no lived poverty”) compared to those with less wealth.

**Figure 11: Trust in tax department** | by socio-demographic group | 36 countries | 2014/2015



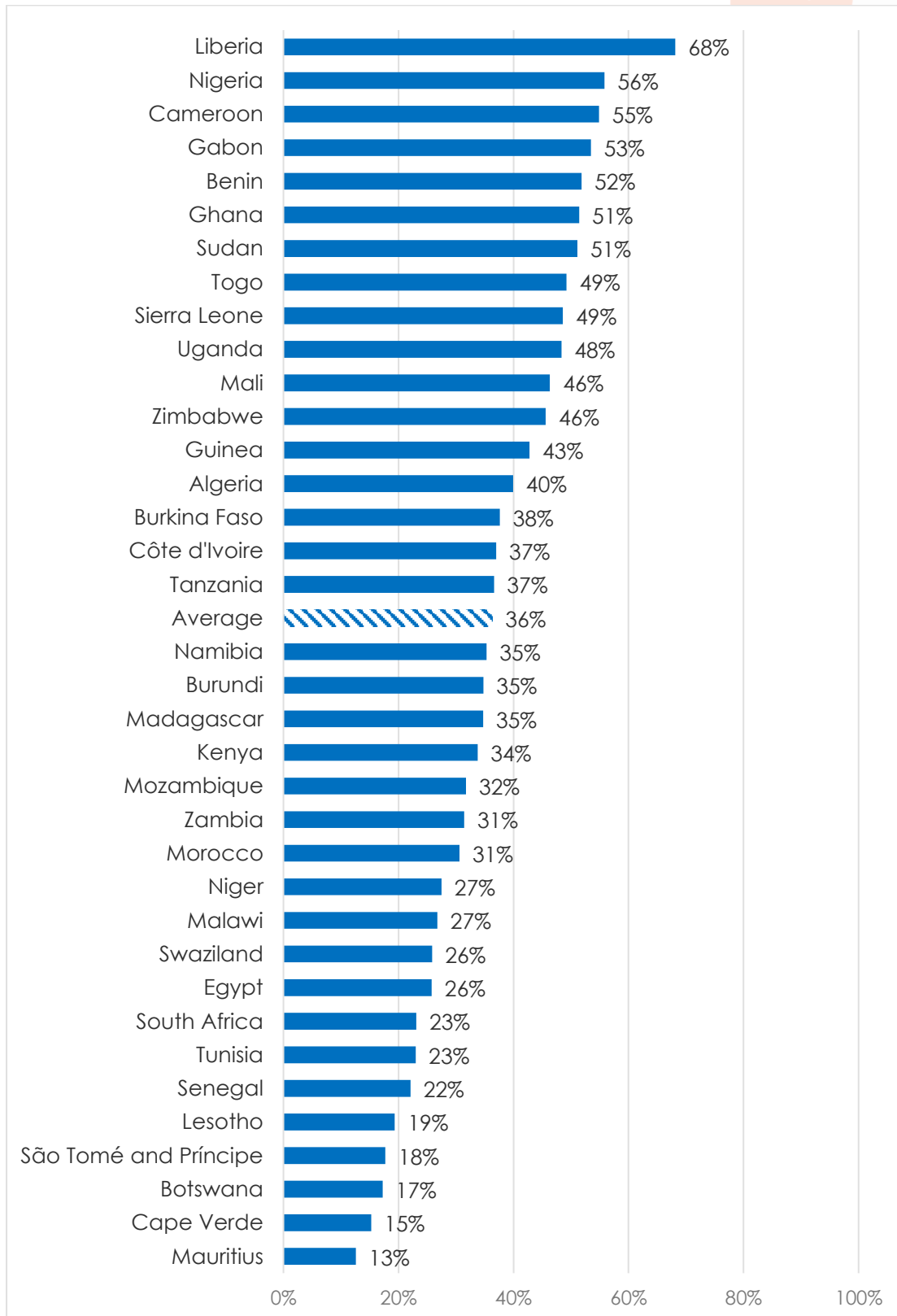
**Respondents were asked:** How much do you trust each of the following, or haven't you heard enough about them to say: The tax department? (% who say “somewhat” or “a lot”)

Similarly, tax officials rate poorly when it comes to public perceptions of corruption. On average, more than one-third (36%) of Africans see “most” or “all” tax officials as corrupt, the fourth-worst ranking after the police (45%), business leaders (41%), and other government officials (38%).

Again, this perception varies widely across the continent (Figure 12). Majorities say most/all tax officials are corrupt in Liberia (68%), Nigeria (56%), Cameroon (55%), Gabon (53%), Benin (52%), Ghana (51%), and Sudan (51%), compared to fewer than one in five in Mauritius (13%), Cape Verde (15%), Botswana (17%), São Tomé and Príncipe (18%), and Lesotho (19%).

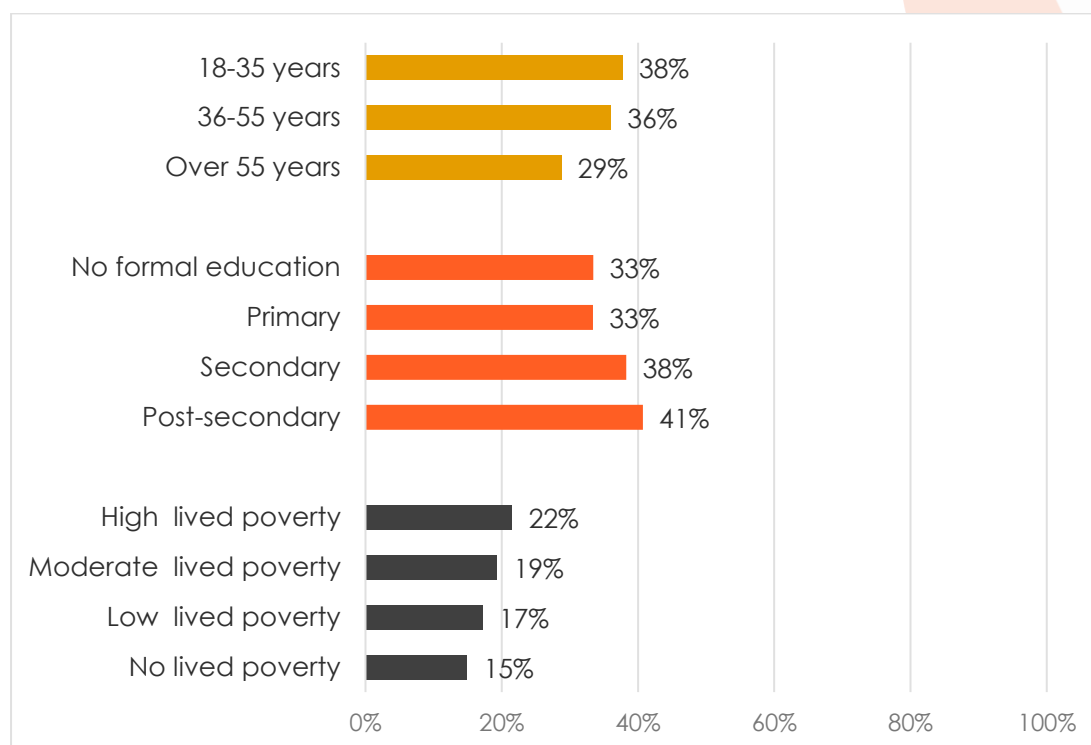
Respondents with higher levels of education and respondents with high lived poverty are more likely to see tax officials as corrupt than those with less education and those who are better off (Figure 13). Respondents under the age of 55 also more often perceive corruption than their elders.

**Figure 12: Corruption in tax department** | 36 countries | 2014/2015



**Respondents were asked:** How many of the following people do you think are involved in corruption, or haven't you heard enough about them to say: Tax officials? (% who say "most of them" or "all of them")

**Figure 13: Corruption in tax department** | by socio-demographic group  
| 36 countries | 2014/2015



**Respondents were asked:** How many of the following people do you think are involved in corruption, or haven't you heard enough about them to say: Tax officials? (% who say "most of them" or "all of them")

### Taxpayer efficacy

Attitudes regarding taxes might be influenced not only by perceptions of tax officials, but also by personal experiences of paying taxes. Afrobarometer includes two relevant questions, asking how easy or difficult people think it is to find out what taxes or fees they owe and whether they see it as easy or difficult to get away with not paying their taxes.

As mentioned above, on average across 36 countries, more than half (54%) of respondents say it is "difficult" or "very difficult" to find out what taxes or fees they are supposed to pay. More than three-fourths find this difficult in Malawi (80%), Tanzania (78%), and Guinea (76%).

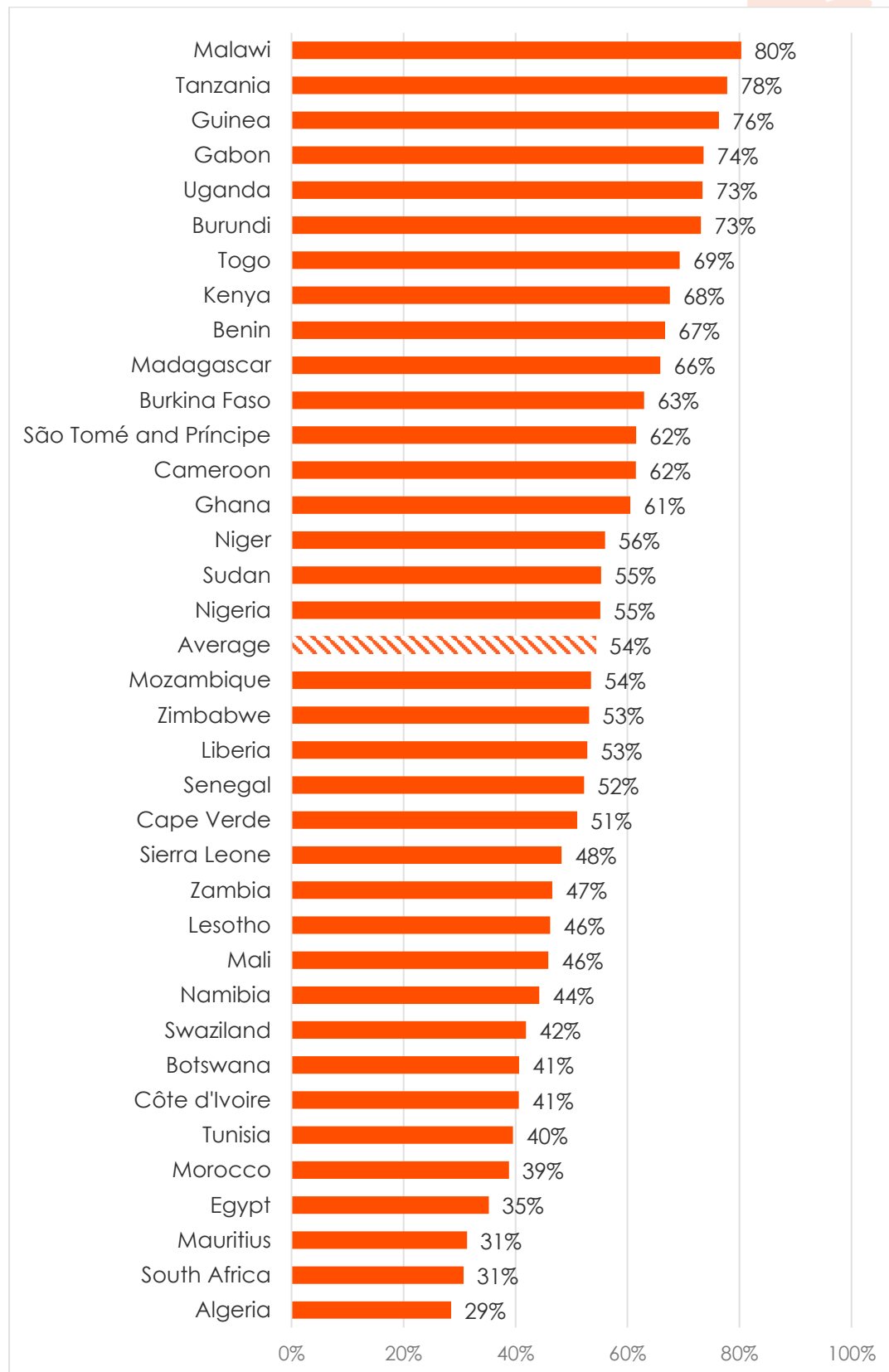
**Do your own analysis of Afrobarometer data – on any question, for any country and survey round. It's easy and free at [www.afrobarometer.org/online-data-analysis](http://www.afrobarometer.org/online-data-analysis).**

At the other extreme, four of the five North African countries surveyed are among those reporting the least difficulty: Tunisia (40%), Morocco (39%), Egypt (35%), Mauritius (31%), South Africa (31%), and Algeria (29%) (Figure 14).

Rural residents (56%) more commonly report difficulty than urbanites (52%), as do respondents with only primary schooling (58%)

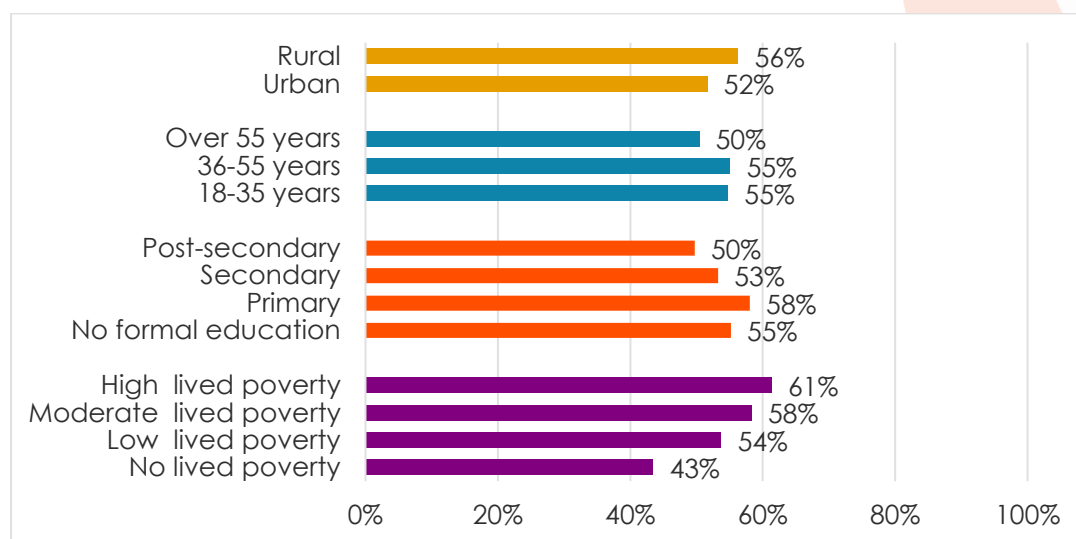
or no formal education (55%) compared to better-educated respondents (Figure 15). Likewise, respondents with high levels of lived poverty (61%) have a harder time than those with no (43%) or low lived poverty (54%).

**Figure 14: Difficulty finding out what taxes to pay | 36 countries | 2014/2015**



**Respondents were asked** Based on your experience, how easy or difficult is it to do each of the following: To find out what taxes and fees you are supposed to pay to the government? (% who say "difficult" or "very difficult")

**Figure 15: Difficulty finding out what taxes to pay | by socio-demographic group | 36 countries | 2014/2015**

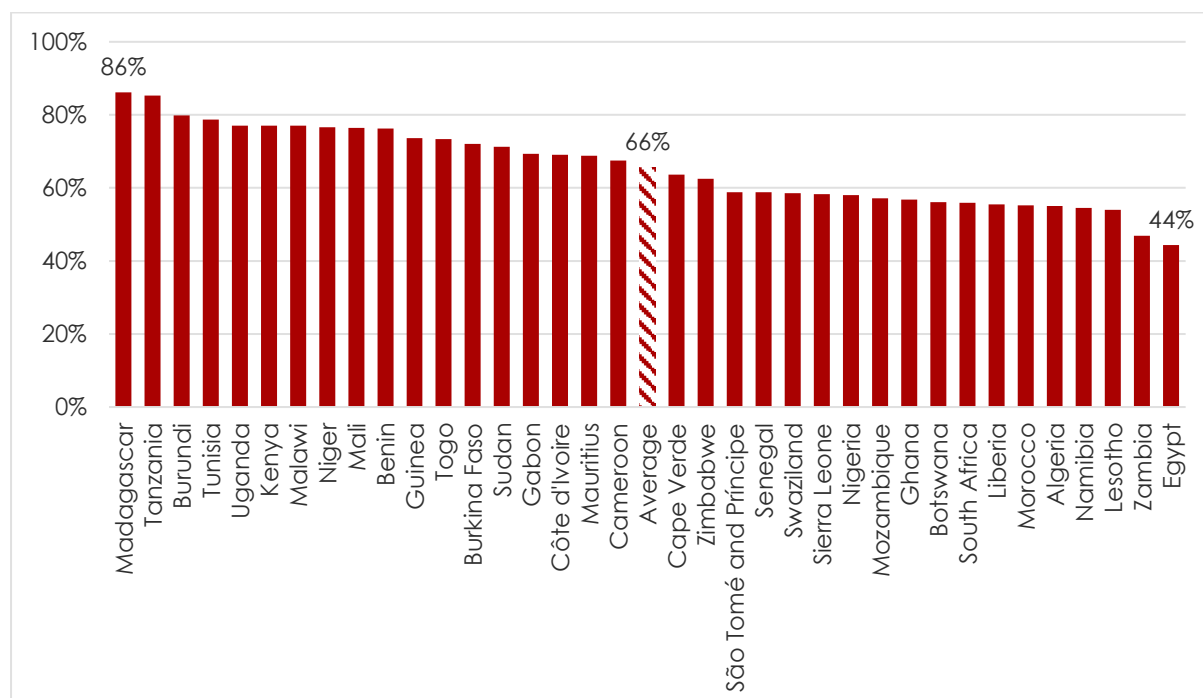


**Respondents were asked:** Based on your experience, how easy or difficult is it to do each of the following: To find out what taxes and fees you are supposed to pay to the government? (% who say “difficult” or “very difficult”)

As for getting away without paying taxes, two-thirds (66%) of Africans say it's “difficult” or “very difficult,” while only 15% say it's “easy” or “very easy.” At least eight in 10 find avoiding taxes difficult in Madagascar (86%), Tanzania (85%), and Burundi (80%), while fewer than half of Zambians (47%) and Egyptians (44%) agree (Figure 16).

Respondents who are poor and/or have little education are least common to report that it is easy to avoid paying taxes (not shown).

**Figure 16: Difficult to avoid paying taxes | 36 countries | 2014/2015**



**Respondents were asked:** Based on your experience, how easy or difficult is it to do each of the following: To avoid paying the income or property taxes that you owe to government? (% who say “difficult” or “very difficult”)



## What strengthens and weakens tax compliance?

As we have seen, a majority of Africans believe that paying taxes is a civic duty, that tax departments are legitimate in collecting taxes, that taxes are important for a country's development, and that it's difficult to get away with not paying taxes. Many also lack trust in the tax department, where they think corruption is common, and say it's difficult to find out what taxes or fees they're supposed to pay.

As one might expect, many of these attitudes and perceptions are correlated. Table 1 shows correlation coefficients indicating the strength of the various associations.<sup>3</sup>

**Table 1: Correlates of attitudes and perceptions of taxes** | 36 countries | 2014/2015

	Good citizens pay taxes	Right or wrong: not paying taxes	Refuse to pay tax or fee for government service	Tax department can make people pay taxes	Citizens must pay taxes for country to develop	Difficult to find out what taxes to pay
Right or wrong: not paying taxes	.215**	1				
Refuse to pay tax or fee for government service	-.188**	-.137**	1			
Tax department can make people pay taxes	.247**	.217**	-.117**	1		
Citizens must pay taxes for development	-.216**	-.201**	.070**	-.237**	1	
Difficult to find out what taxes to pay	-.073**	-.049**	.029**	-.066**	.061**	1
Difficult to avoid paying taxes	-.020**	.010*	-.045**	.012*	.048**	.215**

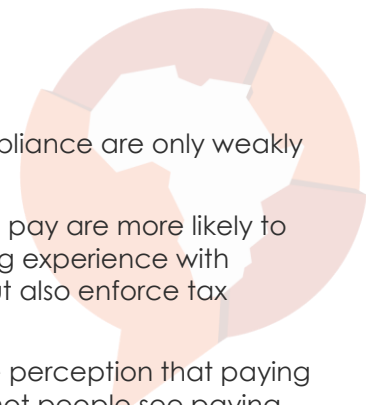
\*\* Correlation is significant at the 0.01 level (2-tailed).

For example, respondents who see paying taxes as a civic duty are also more likely to see not paying taxes as wrong, to see taxes as necessary for development, and to support the tax department's right to make people pay taxes, and they are less likely to refuse to pay taxes. However, seeing taxes as a civic duty is only weakly associated with easily finding out what taxes to pay and seeing it as difficult to avoid paying taxes.

Those who see taxes as necessary for development are also more supportive of the tax department's legitimacy in making people pay taxes.

On the other hand, respondents who think non-compliance is not wrong are also more likely to think that taxes are not necessary for development and that the tax department should

<sup>3</sup> I used bivariate correlation analysis with a two-tailed test of significance and a Pearson correlation coefficient.



not be able to make people pay taxes. But their views on non-compliance are only weakly associated with finding it easy to get away with not paying.

Interestingly, respondents who say it's easy to find out what taxes to pay are more likely to find it difficult to get away with not paying taxes – perhaps reflecting experience with efficient tax officials who provide publicly accessible information but also enforce tax compliance.

The correlation results above suggest multiple linkages between the perception that paying taxes is a civic duty and tax compliance. What informs whether or not people see paying taxes as a civic duty?

As shown in Table 2, trust in the tax department is most strongly correlated with the attitudes that not paying taxes is wrong and that tax compliance is a civic duty. These statistically significant correlations contradict Ali et al. (2013), who found no significant association between trust and tax-compliant behaviour for a four-country sample.

Weaker associations link support for tax compliance (as a civic duty and the right thing to do) with lower levels of perceived corruption in the country, lower perceived corruption among tax officials, perceptions that the president ignores Parliament and laws, lower levels of lived poverty, higher levels of educational attainment, and higher age.

**Table 2: Correlates of tax compliance** | 36 countries | 2014/2015

	Good citizens pay taxes	Right or wrong: not paying taxes
Overall level of corruption	.028**	.045**
Trust tax department	.103**	.124**
Tax officials corrupt	-.059**	-.060**
Paid bribe for document or permit	NS	NS
Paid bribe for household services	.020**	.011*
Leaders serve own or public interest	-.032**	.019**
How often people treated unequally	.021**	-.044**
How often president ignores laws	-.049**	-.071**
How often president ignores Parliament	-.075**	NS
Age	.013**	.027**
Education level	.063**	.019**
Lived poverty	-.047**	-.030**

\*\* Correlation is significant at the 0.01 level (2-tailed). See list of relevant survey questions in the Appendix.

Similarly, it seems plausible that a perception of tax compliance as a civic duty could be fostered if people feel they have a say in how things are done and a government that serves their interests. Table 3 shows results of a correlation analysis that includes perceptions of elections and government performance on key issues.

Results suggest that positive evaluations of elections are associated, though fairly weakly, with greater support for tax compliance as a civic duty and the right thing to do. The correlation is strongest with the perception that voters have a genuine choice in elections and the perception that the most recent national elections were free and fair.



Positive performance evaluations of the current government are also positively correlated with more tax-compliant attitudes. While the correlation coefficients are small, they are in line with what Ali et al. (2013) found for Kenya, Tanzania, Uganda, and South Africa using binary logit regression.

**Table 3: Correlates of tax compliance with quality of elections and government performance** | 36 countries | 2014/2015

	Good citizens pay taxes	Right or wrong: not paying taxes
Freeness and fairness of last national election	.063**	.074**
Elections ensure voters' views are reflected	.028**	.043**
Elections enable voters to remove leaders from office	.025**	.039**
Elections offer voters genuine choice	.089**	.086**
Govt handling management of the economy	.032**	.054**
Govt handling improving living standards of the poor	.012*	.038**
Govt handling creating jobs	.028**	.044**
Govt handling keeping prices down	.020**	.028**
Govt handling narrowing income gaps	NS	.021**
Govt handling addressing educational needs	.021**	.035**
Govt handling fighting corruption	.019**	.038**

\*\* Correlation is significant at the 0.01 level (2-tailed). See list of relevant survey questions in the Appendix.

## Conclusion

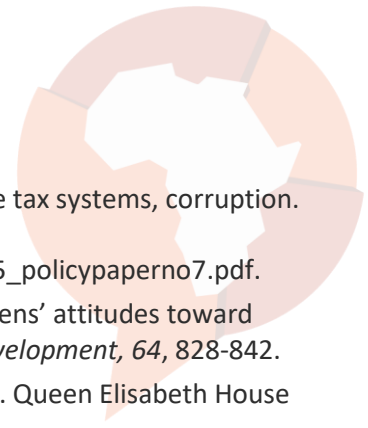
If tax revenues are the lifeblood of government policy implementation, tax evasion continues to weaken investment and growth capacity in some of the world's poorest countries.

For the eyes of most ordinary Africans, taxes are necessary for development, the tax department rightly collects them, and a good citizen pays them. But many citizens also mistrust the tax department and see tax officials as corrupt. This appears to contribute to attitudes that could affect tax compliance: If people trust the tax department, they're more likely to endorse paying taxes as a civic duty and the right thing to do.

Moreover, citizens may be more likely to own their role as taxpayer if they feel they have a meaningful say in politics through free and fair elections that offer them real choices. Other correlations between positive attitudes toward tax compliance and perceptions of leadership performance and accountability, perceptions of fair treatment, poverty, education, and other factors are weaker in this analysis but point toward possibilities for further research and analysis.

These findings suggest that governments would have popular backing to:

- Push for more serious investigation of tax evasion (and probably of other illicit financial flows as well) and punish those who are guilty.
- Build tax departments that are free of corruption and worthy of public trust.
- Provide more accessible public information about what taxes and fees citizens owe.
- Strengthen democratic practices that give people a stronger sense of ownership of their roles as citizens and taxpayers.



## References

- Aiko, R., & Logan, C. (2014). Africa's willing taxpayers thwarted by opaque tax systems, corruption. Afrobarometer Policy Paper No. 7. [afrobarometer.org/sites/default/files/.../Briefing%20paper/ab\\_r5\\_policypaperno7.pdf](http://afrobarometer.org/sites/default/files/.../Briefing%20paper/ab_r5_policypaperno7.pdf).
- Ali, M., Fjeldstad, O. H., & Sjørusen, I. H. (2014). To pay or not to pay? Citizens' attitudes toward taxation in Kenya, Tanzania, Uganda, and South Africa. *World Development*, 64, 828-842.
- Cobham, A. (2005). Tax evasion, tax avoidance, and development finance. Queen Elisabeth House Working Paper No. 129.
- Copley, A. (2016). Africa in the news: Panama papers expose tax evasion. Brookings Institute. <https://www.brookings.edu/blog/africa-in-focus/2016/04/08/africa-in-the-news-panama-papers-expose-tax-evasion-boko-haram-takes-heavy-human-and-economic-toll-on-nigeria-and-uneca-highlights-african-industry-in-new-papers/>.
- Fuest, C., & Riedel, N. (2009). Tax evasion, tax avoidance and tax expenditures in developing countries: A review of the literature. Report prepared for the UK Department for International Development (DFID), 1-69.
- Guardian. (2015). Africa losing billions from fraud and tax avoidance. <https://www.theguardian.com/global-development/2015/feb/02/africa-tax-avoidance-money-laundering-illicit-financial-flows>.
- Kuo, L. (2016). Africa loses more money to illicit financial flows than it receives in foreign aid. Quartz Africa. <https://qz.com/653937/africa-loses-more-money-to-illicit-financial-flows-than-it-receives-in-foreign-aid/>.
- Mattes, R., Dulani, B., & Gyimah-Boadi, E. (2016). Africa's growth dividend? Lived poverty drops across much of the continent.
- United Nations Economic Commission for Africa. (2015a). Track it! Stop it! Get it! Report of the High Level Panel on Illicit Financial Flows from Africa. Commissioned by the AU/ECA Conference of Ministers of Finance, Planning and Economic Development. [https://www.uneca.org/sites/default/files/PublicationFiles/iff\\_main\\_report\\_26feb\\_en.pdf](https://www.uneca.org/sites/default/files/PublicationFiles/iff_main_report_26feb_en.pdf).
- United Nations Economic Commission for Africa. (2015b). Africa loses \$50 billion a year through tax avoidance and fraud, report states. <http://www.uneca.org/stories/africa-looses-50-billion-year-through-tax-avoidance-and-fraud-report-states>.

## Appendix



### Question texts for Table 2

- *In your opinion, over the past year, has the level of corruption in this country increased, decreased, or stayed the same?*
- *How much do you trust each of the following, or haven't you heard enough about them to say: The tax department?*
- *How many of the following people do you think are involved in corruption, or haven't you heard enough about them to say: Tax officials (e.g. Ministry of Finance officials or local government tax collectors)?*
- *And how often, if ever, did you have to pay a bribe, give a gift, or do a favour for a government official in order to get the document you needed?*
- *And how often, if ever, did you have to pay a bribe, give a gift, or do a favour for a government official in order to get the household services you needed?*
- *Do you think that the leaders of political parties in this country are more concerned with serving the interests of the people, or more concerned with advancing their own political ambitions, or haven't you heard enough to say?*
- *In your opinion, how often, in this country, are people treated unequally under the law?*
- *In your opinion, how often, in this country, does the president ignore the courts and laws of the country?*
- *In your opinion, how often, in this country, does the president ignore Parliament and just do what he wants?*
- *How old are you?*
- *What is your highest level of education?*
- *Lived Poverty Index: Over the past year, how often, if ever, have you or anyone in your family: Gone without enough food to eat? Gone without enough clean water for home use? Gone without medicines or medical treatment? Gone without enough fuel to cook your food? Gone without a cash income?*

### Question texts for Table 3

- *On the whole, how would you rate the freeness and fairness of the last national election?*
- *Think about how elections work in practice in this country. How well do elections:*
  - o *Ensure that the representatives to the National Assembly reflect the views of voters?*
  - o *Enable voters to remove from office leaders who do not do what the people want?*
  - o *Ensure that voters are offered a genuine choice in the elections?*
- *Now let's speak about the present government of this country. How well or badly would you say the current government is handling the following matters, or haven't you heard enough to say:*
  - o *Managing the economy?*
  - o *Improving the living standards of the poor.*
  - o *Creating jobs?*
  - o *Keeping prices down?*
  - o *Narrowing gaps between rich and poor?*
  - o *Addressing educational needs?*
  - o *Fighting corruption in government?*



# AFRO BAROMETER

LET THE PEOPLE HAVE A SAY

**Thomas Isbell** is a PhD student at the University of Cape Town in South Africa.

Afrobarometer is produced collaboratively by social scientists from more than 30 African countries. Coordination is provided by the Center for Democratic Development (CDD) in Ghana, the Institute for Justice and Reconciliation (IJR) in South Africa, the Institute for Development Studies (IDS) at the University of Nairobi in Kenya, and the Institute for Empirical Research in Political Economy (IREEP) in Benin. Michigan State University (MSU) and the University of Cape Town (UCT) provide technical support to the network.

Core support for Afrobarometer Rounds 5 and 6 (2011-2015) was provided by the UK's Department for International Development (DFID), the Mo Ibrahim Foundation, the Swedish International Development Cooperation Agency (SIDA), the United States Agency for International Development (USAID), and the World Bank.

Donations help the Afrobarometer Project give voice to African citizens. Please consider making a contribution (at [www.afrobarometer.org](http://www.afrobarometer.org)) or contact Aba Kittoe ([akitoe@afrobarometer.org](mailto:akitoe@afrobarometer.org)) to discuss institutional funding.

For more information, please visit [www.afrobarometer.org](http://www.afrobarometer.org).

Follow our releases on #VoicesAfrica on Twitter and Facebook.

**Cover photo:** By Ephymbaya - Own work, CC BY-SA 4.0, <https://commons.wikimedia.org/w/index.php?curid=55117723>.

Contact: [thomas.isbell@afrobarometer.org](mailto:thomas.isbell@afrobarometer.org)